

COUNCIL OF ONTARIO UNIVERSITIES

CONSEIL DES
UNIVERSITÉS DE L'ONTARIO

PETER GEORGE, CHAIR OF COUNCIL

We are living in an increasingly competitive global environment where the stakes are intensifying and the challenges are multiplying. Organizations across all sectors must constantly reinvent themselves, evolve and refine their operations to compete and thrive. Our universities are no exception.

Take the race for talent. Our universities are competing for the best and brightest faculty and students from around the world. U.S. President Barack Obama pointed to this international race when he said in February 2009 to the Joint Session of Congress: "...we know that countries that out-teach us today will out-compete us tomorrow."

Countries around the world are boosting their investments in higher education and research to attract not only their own graduates but also ours. Quite simply, we have to raise our game while remaining true to our core values of educating the populace and advancing the frontiers of knowledge through research.

Fortunately, there is a real appetite for higher education in Ontario. Applications for our universities continue to increase to record levels. This signals a greater awareness within Ontario that the jobs of the knowledge economy will increasingly require postsecondary education — economists suggest as much as 70%.

In the short term, Ontario's universities face a big challenge in delivering more talent. Our operating grants have not kept pace with the demand for university spaces in recent years. In fall 2008, further pressure was applied to our operating budgets with the financial market crisis and the subsequent dramatic reduction in endowment income. Every university is making significant cuts, which means the reduction of programs and the elimination of some jobs. This affects our individual and collective ability to produce the volume and quality of talented undergraduate and graduate degree holders we need.

In their report titled *Ontario in the Creative Age*, Roger Martin and Richard Florida stated that creativity is the ultimate economic resource because it drives innovation and raises productivity and living standards. Universities are a nucleus for this creativity. Our programs hone the analytical and creative skills that will help our graduates generate ideas, solve social and environmental problems, create new businesses and improve public services.

But becoming the jurisdiction that succeeds in tapping most deeply into this creativity will require concerted action across all sectors. While we can continue to renew our programs to meet the needs of our transformative world, business will also need to help deepen the skills of their workers and build partnerships with researchers. Governments have to help optimize the talent with sufficient long-term investments in research and teaching. Remaking the future of our province and our country is a truly collaborative effort, and Ontario universities stand ready and willing to do their part.



Executive Messages:

PAUL C. GENEST, PRESIDENT OF COU

Ontario can take great pride in its universities, and rightly so. Our universities are vital in sustaining economic recovery and supporting the cultural vibrancy and social cohesion of our society. I am therefore pleased to present this report, which highlights the significant contributions our institutions make across Ontario and Canada, and provides a financial summary of the operations of the COU Secretariat.

The impact of our universities is felt far beyond the students we educate and the research we generate. It is felt by the 27 different communities in which we operate; by government, business and community leaders and citizens province-wide; and indeed by the rest of the country.

Our universities educate 41.8% of Canada's university population. The quality of our degrees and our research is recognized internationally and serves as a magnet for attracting talent from abroad. Our universities have robust research programs that lead the country in industrial designs and account for half of the registered trademarks.

Over the past two years of my tenure at COU, I have made it a priority to fortify COU's relationships across various sectors and be a strong, clear voice for Ontario's universities. As a result, COU has established even stronger ties to business. Organizations such as the Ontario Chamber of Commerce, the Toronto Board of Trade and the Toronto City Summit Alliance are recognizing the contributions our universities make to their stakeholders and have lent support to our cause.

Our outreach also includes regular engagement with Ministers and MPPs, political staff and civil servants through meetings, communications and special events. One such event brought together university members, government representatives and the recipients of the Ontario Research Chairs in Public Policy.

We have also been increasingly active at the federal level in concert with the Association of Universities and Colleges of Canada. We have vigorously reinforced the infrastructure and research agendas. In addition, we are identifying opportunities to support public service renewal and to develop policy alternatives to the challenges we face as a nation and as part of a global society.

Closer to home, we are mining incredible resources at our institutions including our chancellors, chairs and vice-presidents. They have excelled in business, government, academia, media and other domains, and are bringing their individual and collective experience to bear on our challenges and helping to draw attention and support. These groups and individuals have generously lent their voice in support of higher education whenever and wherever needed.

There is much more that we can and must do to build for the future. We appreciate enormously the support and dedication of our member institutions and thank them for their regular input and inspiring work in support of knowledge, research and a stronger society.





w | 2006 − 2008 COU Biennial Report

Nurturing Student Success and the Talent of the Future

No matter what size or location, our universities are unified in a shared commitment to provide high-quality teaching and research that will enhance the learning experience of our students and enhance our society's capacity for innovation.

Wander around any university campus in Ontario and experience the energy, enthusiasm and heightened level of curiosity, where students prepare themselves not only for careers but also for making a difference in the world. Ontario university students are able to achieve this because our institutions foster a learning environment that nurtures creativity and critical thinking to develop the talents of tomorrow's business, community, cultural and political leaders. We create the research and innovation that produce new opportunities in the knowledge economy. Through the students we educate and the ideas we generate, Ontario universities strengthen the economic, social and cultural well-being of the province and country and, in so doing, transform the world we live in.

Our learning environment continues to evolve to meet the changing needs and expectations of our students. From infrastructure to programming, services to technologies, the modern university is markedly different now than in earlier eras. The stacks of library books and quiet study carrels have been transformed into learning centres wired to information resources around the world and loaded with conference tables for group learning. Our universities offer a wide range of programming, and they continue to expand and refine their offerings to meet changing needs. A broad and lively cultural mix populates our campuses. As a result of more concerted outreach efforts, Aboriginal Peoples now represent 1.5% of the total student population; firstgeneration students, 12%; students with disabilities, 3.8%; and international students, 7%.

Ontario universities have also gone beyond traditional full-time and parttime, co-op and continuing education programs. Increasingly, distance learning is making higher education

accessible to people in remote areas, and student exchanges are advancing opportunities for international studies.

To help our students meet their individual needs and objectives, Ontario universities have expanded services to include career, financial and life planning. Our institutions also offer personal growth opportunities to complement the educational experience, including a wealth of extracurricular athletic and cultural activities. Students are also encouraged to get involved in a wide variety of university groups and to volunteer their services in the local community.

When our students graduate, they leave the campuses of Ontario universities prepared for the many challenges that they will face and the several career paths that they will take in their lives. They are sought after by global companies and by world-class universities around the world. Ontario universities educate 41.8% of Canada's university student population. In 2007, our institutions graduated close to 85,000 undergraduates. In the most recent survey of graduates of Ontario university undergraduate programs, 94% of our graduates found employment six months after graduation, and two years after graduation the figure increased to 96.9%. Moreover, our graduates typically earn higher salaries over their lifetimes and as a result pay higher contributions to the tax base — another way in which our graduates keep Ontario strong.

Generating the Innovations for **Economic Growth and Social Well-Being**

Research at Ontario universities is making significant advances in the social development, health, economic competiveness and international reach of the province. Universities and hospital research institutes in Canada conduct a larger share of the country's total research effort than is the case in any of the G7 countries.

Expansive in scope, university research is shaping social policy, developing new products and services and creating new ways to treat patients and prevent disease, finding energy alternatives and solving industrial issues. In these ways, research generates economic activity, and makes businesses more efficient, communities safer, populations healthier and children better educated.

The role that research plays on human potential is just as powerful. In the university setting, there has always been an interdependence and synergy between research and teaching. Each informs the other; the learning environment for students is enriched, and knowledge and basic research are advanced, often through the contributions of our talented graduate students.

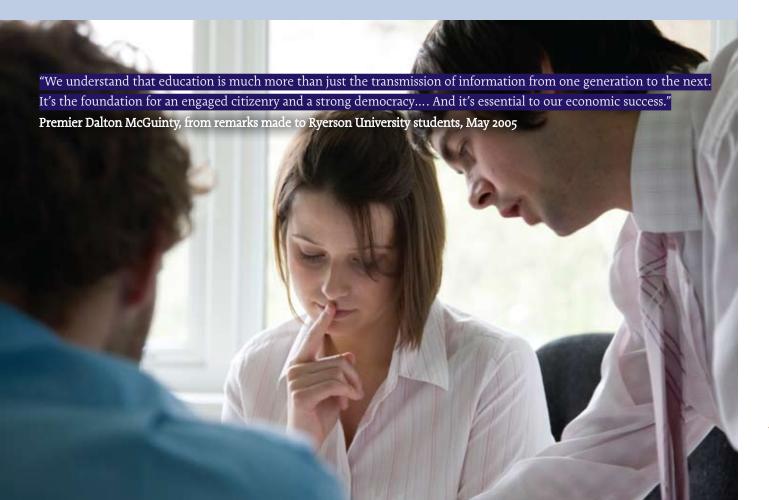
High-quality university research attracts talent from around the world and investment by companies that need and want proximity to a strong university research base so they can leverage ideas, innovations and people. To encourage this growth, universities, government and business are working together to develop clusters of innovation all around this province - clusters where research and business converge to enable market application of cutting-edge ideas. Many

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universities have established successful research parks or incubator centres to foster collaboration and information-sharing between researchers and business. These parks and centres, situated throughout the province, are producing spin-off companies that create jobs and strengthen the competitiveness of local economies. In some cases, these hubs are also responsible for job creation nationally and internationally.

But new products and commercial applications only result from a sustained commitment to curiosity-driven basic research. Many of the most influential and lucrative scientific innovations of the past century originated from research that, at the time of inception, expanded understanding of scientific issues but had no foreseeable practical application. Incubation of these breakthroughs took time and required consistent support.

Ontario can be proud of its research culture and contributions. Eight of Ontario's research universities were ranked among the world's top 500 research universities by Shanghai Jiao Tong University in 2008 (and in the same survey, two of our universities were ranked among the world's top 100 universities). Moreover, another sign of the strength of our universities is in the field of natural and social science research where Ontario is second only to Massachusetts in per capita performance among 16 peer states and provinces, according to the 2008 report of the Task Force on Competitiveness, Productivity and Economic Progress. Our universities lead the country in industrial designs and account for the largest number of patents granted in Canada and almost half of the registered trademarks. Clearly, research undertaken at Ontario universities is making its mark in the province and around the world.





Ontario universities undertake award-winning research in many different areas. Whether the research is focused on unlocking the secrets of the Big Bang theory or developing new green technologies, university research is a pivotal part of our lives because it deepens our understanding of our world and addresses the challenges that we face.

Strengthening Communities Around the Province

Universities have a widespread impact in the communities in which we reside. In some cases, they are the major and most stable employer. Indeed, universities employ more people than the automobile sector, biotechnology industry, and many other notable Ontario industries. We are also major purchasers and attract revenue to regions through the influx of students and their families. All of this makes our universities an important force economically.

However, our community role goes far beyond that. Universities assume social responsibility for their interconnectedness with, and welfare of, their communities. All across Ontario, university staff and faculty are engaging with their regional economic development boards and chambers of commerce to develop strategies to attract new industries, rebuild their downtown cores, and generate increased opportunity and prosperity for local residents.

In many cases, staff and faculty work closely with community leaders and engage students in helping to address social issues such as poverty, homelessness, at-risk youth and literacy. We also conduct research to help assess issues and develop solutions, and encourage students to fill the volunteer ranks of local organizations to acquire professional and personal experience. In this way, the time, knowledge and relationships of university representatives are being leveraged on an ongoing basis to help local communities advance and prosper.

Ontario universities also play a role in the social and recreational life of their communities. Our sports centres are often available to local teams and recreational athletes. Our theatres and performance spaces not only welcome community audiences but also local troupes and arts organizations for their own events. Moreover, university lectures are usually open, not just to students and faculty, but to members of the community who wish to learn about everything from green technologies and sustainability, to quantum physics and human health.

Moving Forward

These are highly competitive and challenging times, and all organizations that wish to compete and thrive must both embrace change and be prepared to adapt. Ontario universities fully understand this. We will continue to work with government, business and our communities as strategic partners to keep our universities, our communities and our province innovative, inclusive and economically vibrant.

The Council of Ontario Universities (COU) is responsible for building awareness

dent or principal) and an academic colleague appointed by each institution's senior academic governing body. It meets regularly during the academic year and is supported by the Executive Committee, which, in turn, is supported by a full-time secretariat that provides centralized service functions for the Council and its Standing Committees. There are also numerous affiliate organizations, special task forces, committees and other groups that support and work toward achieving the Council's objectives.

COU is committed to providing real value to its members and doing so in a fiscally responsible, transparent and fully accountable fashion.

MEMBER INSTITUTIONS*

BROCK UNIVERSITY

CARLETON UNIVERSITY

University of Guelph

LAKEHEAD UNIVERSITY

LAURENTIAN UNIVERSITY

McMaster University

NIPISSING UNIVERSITY

University of Ontario Institute of Technology

University of Ottawa

OUEEN'S UNIVERSITY

RYERSON UNIVERSITY

University of Toronto

TRENT UNIVERSITY

University of Waterloo

University of Western Ontario

WILFRID LAURIER UNIVERSITY

University of Windsor

YORK UNIVERSITY

ASSOCIATE MEMBERS

Ontario College of Art & Design ROYAL MILITARY COLLEGE OF CANADA

^{*}Editor's Note: On November 1, 2008, Algoma University became a member of Council.



The statements of COU's Financial Position and its Income and Expenses for the years ended June 30, 2007 and 2008 are derived from the audited financial statements of COU Holding Association Inc. They provide summary information on COU's assets, liabilities and fund balances, and its income and expenses relating to COU's general operating activities and other activities funded through restricted contributions.

COU Holding Association Inc. is responsible for the financial and business operations of COU. The directors of the corporation are the COU Chair, Vice-Chair, President, Treasurer and Secretary to Council.

It should be noted that government grants and other externally restricted contributions are used exclusively to fund projects and activities designated by sponsors; they are not used to finance the operations of the Council of Ontario Universities. The 2007 fiscal year covers the period July 1, 2006, to June 30, 2007; the 2008 fiscal year covers the period July 1, 2007, to June 30, 2008.

STATEMENT OF FINANCIAL POSITION

As at June 30			
ASSETS	2008	2007	
Current assets	40,073,897	55,080,635	
Capital assets	2,273,257	2,062,624	
Investments held in trust* (see note below)	7,727,671	6,000,000	
Total assets	50,074,825	63,143,259	
LIABILITIES AND FUND BALANCES			
Current liabilities			
Accounts payable and accrued liabilities	9,410,737	9,008,683	
Deferred income	374,614	221,000	
Total liabilities	9,785,351	9,229,683	
Fund balances			
Unrestricted - general operations	1,451,668	1,369,564	
Internally restricted funds	5,931,384	6,015,207	
Externally restricted funds	23,008,165	36,841,181	
Endowments	7,625,000	7,625,000	
Invested in capital assets	2,273,257	2,062,624	
Total fund balances	40,289,474	53,913,576	
Total liabilities and fund balances	50,074,825	63,143,259	

^{*}Note: As a result of adopting a new accounting principle, the investment is measured at fair value in 2007-08 versus at cost in 2006-07.

Financial Information:

	GENERAL OPERATIONS 2008	INTERNALLY RESTRICTED FUNDS 2008	EXTERNALLY RESTRICTED FUNDS 2008	TOTAL 2008	GENERAL OPERATIONS 2007	INTERNALLY RESTRICTED FUNDS 2007	EXTERNALLY RESTRICTED FUNDS 2007	TOTAL 2007
INCOME								
Membership assessment	t 3,970,993	321,264	-	4,292,257	3,724,000	307,429	-	4,031,429
Quality review fees	-	665,646	-	665,646	-	1,176,848	-	1,176,848
Application fees	-	4,958,475	-	4,958,475	-	4,949,517	-	4,949,517
Government grants	-	12,000	2,575,113	2,587,113	303,103	8,308	10,612,685	10,924,096
Investment income	229,036	830,714	1,266,457	2,326,207	293,039	711,417	1,488,025	2,492,481
Other income	33,741	2,395,831	10,989,670	13,419,242	-	1,840,702	20,060,874	21,901,576
Total income	4,233,770	9,183,930	14,831,240	28,248,940	4,320,142	8,994,221	32,161,584	45,475,947
EXPENSES								
Compensation	2,833,332	4,359,347	286,831	7,479,510	2,784,357	3,905,883	911,186	7,601,426
Accommodation	287,687	454,022	429,723	1,171,432	290,194	612,175	20,838	923,207
Communication	102,168	981,681	5,698	1,089,547	111,086	775,251	438,419	1,324,756
Supplies and other office expenses	123,474	114,684	993,632	1,231,790	164,191	64,199	1,791,791	2,020,181
Travel and meetings	284,182	601,500	93,016	978,698	178,938	612,957	137,486	929,381
Professional fees	399,638	531,077	414,652	1,345,367	158,810	812,097	1,086,037	2,056,944
Staff training	13,073	-	-	13,073	24,124	-	-	24,124
Computing	68,719	353,734	115,501	537,954	51,787	410,644	76,110	538,541
Special projects	306,057	99,870	27,872,334	28,278,261	650,687	(1,535)	22,277,158	22,926,310
IUTS	480,434	-	-	480,434	496,726	-	-	496,726
Amortization of capital assets	142,894	851,753	-	994,647	209,007	867,158	-	1,076,165
Internal cost recoveries	(1,026,240)	904,680	121,560	-	(878,223)	831,261	46,962	-
Total expenses	4,015,418	9,252,348	30,332,947	43,600,713	4,241,684	8,890,090	26,785,987	39,917,761
Unrealized loss on investments	-	-	706,010	706,010	-	-	-	-
EXCESS (DEFICIT) C	OF INCOME	OVER EXPE	NSES FOR T	HE YEAR				
	218,352	(68,418)	(16,207,717)	(16,057,783)	78,458	104,131	5,375,597	5,558,186

COUNCIL

Dr. Peter George President, McMaster University Chair: July 1, 2007 to June 30, 2009

Dr. Ross Paul President, University of Windsor Chair: July 1, 2005 to June 30, 2007

STANDING COMMITTEES

Executive Committee

Committee on Government and Community Relations

Committee on Human Rights

Committee on Nominations

Committee on Relationships with Other

Postsecondary Institutions

Ontario Universities' Application Centre (OUAC)

Advisory Board

COU Holding Association Inc.

Board of Directors

Budget and Audit Committee

Ontario University Athletics (OUA) Liaison

AFFILIATES

Council of Chairs of Ontario Universities (CCOU) Council of Ontario Faculties of Medicine (COFM) Council of Senior Administrative Officers (CSAO) & its affiliates:

Association of Auxiliary Services Administrators

Association of Computing Services Directors (ACSD)

Association of Ontario University Human Resources Professionals (AOUHRP)

Committee on Space Standards & Reporting

Council of Environmental Health & Safety Officers (CEHSO)

Council of Finance Officers - Universities of Ontario (COFO-UO)

Ontario Association of College & University Security Administrators (OACUSA)

Ontario Association of Physical Plant Administrators (OAPPA)

Ontario University Purchasing Management Association (OUPMA)

Council on University Planning & Analysis (CUPA)

COU SECRETARIAT

Office of the President

Communications and Public Affairs

Corporate Services

Office of Health Sciences

Ontario Council on Graduate Studies

Ontario Universities' Application Centre

Research, Analysis and Policy

Secretary to Council

Strategic Initiatives

Composition of COU:

Ontario Council of Academic Vice-Presidents (OCAV) & its affiliates:

- Council of Ontario University Programs in Nursing (COUPN)
- Council of Deans of Arts & Science of Ontario Universities (CDAS)
- Council of Ontario Deans of Engineering (CODE)
- Council of Deans of Ontario Faculties of Law
- Ontario Association of Deans of Education (OADE)
- Ontario Committee on Student Affairs (OCSA)
- Ontario Council of Library Schools
- Ontario Council for University Lifelong Learning (OCULL)
- Ontario Council of Deans & Directors of Schools of Social Work
- Ontario Council of University Libraries (OCUL)
- Ontario Council of University Programs in Rehabilitation Sciences (OCUPRS)
- Ontario Universities' Council on Admissions (OUCA)
- Ontario University Registrars' Association (OURA)

Ontario Council on Graduate Studies (OCGS)

Ontario Council on University Research (OCUR)

Ontario Interdisciplinary Council for Aging & Health (OICAH)

Ontario Universities' Public Affairs Council (OUPAC)

SPECIAL AND LIMITED-DURATION GROUPS AND COMMITTEES

Advisory Panel on Locally Developed Courses

Canadian Graduate and Professional Student Survey (CGPSS) Steering Committee

COU-MTCU Graduate Employment Survey Steering Committee

CSAO-OAPPA Task Force on Facilities Condition Assessment

Health Sciences Clinical Education Working Group

National Survey on Student Engagement (NSSE) Steering Committee

Ontario Research Chairs Selection Panel

Task Force on Access and Privacy Issues

Task Force on Accessibility for Ontarians with Disabilities Act (AODA)

Task Force on Graduate Enrolment Expansion / Working Group on Graduate Education Expansion

Task Force on Quality Measurement and its Common Data Set Sub-Committee

Task Force on Student Financial Assistance

Working Group on University Capacity

Working Group on University Research

The Council and secretariat staff would like to thank everyone who served on COU committees, task forces and working groups during the period of July 1, 2006 to June 30, 2008. Their work makes it possible for COU to achieve its objectives. We would especially like to thank the members who served on the former Standing Committees of Policy and Planning, and the Ontario Commission on Interuniversity Athletics.

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